Overview - A public, private, partnership delivered three new libraries in Riverside County that utilized a simultaneous construction approach to save taxpayers time and money.

Challenge - Riverside County is the fourth most populated county in California and the tenth most populated county in the United States. Last year alone several of our cities were named among the top ten fastest growing communities in California. In light of this growth, the Riverside County Library System (RCLS) struggled to accommodate an increase in usage and activity. As is the case with many new and growing communities, Riverside County Library’s 4.3 million patrons love to learn and want access to information and resources. Community outreach and assessment of needs identified three communities as being the most impacted by the lack of library resources and facilities: French Valley, Menifee and Desert Hot Springs.

Solution – A public-private partnership (P3) was formed between the county and a private developer in order to save costs on construction and maintenance. The P3 was the quickest and most cost-effective way to achieve this. This innovative project method transfers risk to the parties that best understand and manage risks such as investors, developers, construction contractors, suppliers, and service providers. Through a long-term lease payment plan, the county did not require any new tax increase. This also allowed current revenue levels to be used for expansion of services and additional collection materials for the entire 36 library branch system. Thus, the new library facilities were delivered to the County through a P3 Project deal structure, specifically through a Ground Lease and Facilities Lease on all three County owned parcels in French Valley, Menifee, and Desert Hot Springs.

Innovation – Through the P3, the private partner is responsible for the financing, the design and construction, including the maintenance of the library facilities for a term of 30 years. The County has the option to purchase all or individually each facility at year 10 and then again at year 20. By partnering a 501(c)(3) nonprofit, the developer was able to access the tax-exempt bond market realizing a savings
of tens of millions of dollars of over the 30-year lease. In addition, by building all three sites as one project, the County was able to take advantage of economies of scale. Operational and maintenance cost savings were also realized, as the team incorporated details in the materials selection that considered the long-term maintenance of the buildings. The P3 partnership is an innovative and successful approach that incorporates the business community, who is investing in communities to make a significant impact to the future of the residents and the public sector that has the duty to provide for community resources and services.

**Results** - An advantage of a P3 project is that the project can be completed quickly, utilizing the private sector resources with construction of the three libraries within 18 months. In comparison, buildings this size that are fully funded and constructed by the County typically takes up to at least three years. Having a comprehensive library space program from the beginning allowed the library team, engineers, and contractors to collaborate in resolving any project concerns and issues. Material procurement was tied to a unified architectural approach, yet all three libraries are distinct to represent the community they serve. All three libraries opened over the summer of 2021 and as required by the County building standards, they all received LEED certification from the United States Green Building Council.

**Replicability** - P3 projects have proven to be a resourceful funding and procurement mechanism as municipal governments look to invest in infrastructure related to capital projects. This business practice allows government entities, such as libraries, who cannot afford to pay for large scale infrastructure projects, to partner with private companies, who can access funding for the projects, producing a huge benefit to both parties.

**Project or Program Contact** Khylia Chapin, Principal Library Manager, at (951) 955-3295 or kchapin@rivco.org. Riverside County Office of Economic Development, 3403 Tenth Street, Suite 400, Riverside, CA 92501.